

**LEGISLATIVE SERVICES AGENCY
OFFICE OF FISCAL AND MANAGEMENT ANALYSIS**

200 W. Washington, Suite 301
Indianapolis, IN 46204
(317) 233-0696
<http://www.in.gov/legislative>

FISCAL IMPACT STATEMENT

LS 7133

BILL NUMBER: SB 453

NOTE PREPARED: Jan 5, 2013

BILL AMENDED:

SUBJECT: Dialysis Facility Backup Generators.

FIRST AUTHOR: Sen. Breaux

BILL STATUS: As Introduced

FIRST SPONSOR:

FUNDS AFFECTED: X **GENERAL**
DEDICATED
FEDERAL

IMPACT: State

Summary of Legislation: This bill requires certain dialysis facilities to install and maintain backup emergency generators. The bill requires the Indiana State Department of Health (ISDH) to adopt guidelines concerning the installation, capacity, testing, and use of backup emergency generators. The bill also requires the ISDH to submit a report to the General Assembly concerning compliance.

Effective Date: July 1, 2013.

Explanation of State Expenditures: *Summary:* This bill could increase the workload and expenditures of the ISDH to ensure end-stage renal disease (ESRD) clinics meet the requirements contained in the bill and to report dialysis facility compliance with the law to the General Assembly. Actual increases in workload and/or expenditures will ultimately depend on administrative decisions made by the ISDH.

Additional Information:

The ISDH reports there are currently 138 ESRD clinics in the state, and this number may grow to 148 clinics by the end of CY 2013. These facilities are federally certified, so the state does not license or provide oversight for these facilities. Under the current federal Center for Medicare and Medicaid Services (CMS) certification program, the ISDH only inspects ESRD clinics according to federal timelines, which does not occur on an annual basis.

Currently, there are no federal requirements for backup generators to be used at ESRD clinics as a part of the

federal certification survey. Any increase in state expenditures to inspect ESRD clinics for use of backup generators and other requirements would not be eligible for Medicare or Medicaid reimbursement.

If the ISDH can, by rule, inspect ESRD for compliance with the requirements of the bill during each ESRD's regularly scheduled CMS inspection, staff workload and/or expenditures would be minimized. However, if by rule the ISDH requires inspections more frequently than the current CMS inspection schedule, staff workload (and possibly expenditures) could increase. Actual increases are indeterminable and would depend on administrative decisions made by the ISDH.

Explanation of State Revenues:

Explanation of Local Expenditures:

Explanation of Local Revenues:

State Agencies Affected: ISDH.

Local Agencies Affected:

Information Sources: Scott Zarazee, ISDH.

Fiscal Analyst: Bill Brumbach, 232-9559.